

REMARKS

Claims 11-15 and 21-46 have been cancelled. Claims 1-10 and 16-20 are pending.

Claim Rejections – 35 U.S.C. §102

The Examiner has rejected claims 1-10 and 16-20 under 35 U.S.C. §102(b) as being anticipated by Johnson et al. (WO 98/38844). The rejection is respectfully traversed.

Johnson describes an auction system for the provision of energy supply (e.g., electric power and natural gas). The Moderator in Johnson “will establish rules” some of which “will be set to enable to Moderator to compare competing bids on an ‘apples-to-apples’ basis, in order to determine the best economic value being offered to end users.” Johnson then describes that “the Moderator may require bidders to formulate bids based on, for example, (i) a particular period of time during which they will supply energy ... (ii) a specific end user or a group or class of end users ... (iii) a stated class of service ... (iv) whether they will supply 100% of an end user’s energy needs ... (v) a specific delivery destination (vi) the estimated amount of energy required on a recurring basis by each applicable end user or set of end users, (vii) the frequency with which the bidder will receive periodic feedback reports ... and (viii) whether the end user will be billed separately for each Provider’s energy or on a consolidated basis....”

Johnson does not disclose **transforming price values** using a characteristic of an auction item “**wherein the characteristic** of the auction item” is “associated with the **quality of the item**” as recited in Claim 1. Therefore Claim 1 is believed to be allowable.

Claims 2-5 depend from Claim 1 and are believed to be allowable for the same reasons described above.

As with Claim 1, Claim 6 also recites that “the characteristic of the auction item of the first type is associated with the quality of the item of the first type.” It is therefore believed that Claim 6 is allowable for the same reasons described above.

Claims 7-10 depend from Claim 6 and are believed to be allowable for the same reasons described above.

As with Claim 1, Claim 16 also recites that “the characteristic of the auction item of the first type is associated with the quality of the item of the first type.” It is therefore believed that Claim 16 is allowable for the same reasons described above.

Claims 17-20 depend from Claim 16 and are believed to be allowable for the same reasons described above.

Reconsideration of the application and allowance of all claims are respectfully requested based on the preceding remarks. If at any time the Examiner believes that an interview would be helpful, please contact the undersigned.

Respectfully submitted,



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